State of Rhode Island
Department of Administration

INTER-OFFICE MEMORANDUM

Office of Accounts and Control

TO: Chief Financial Officers   **DATE:** August 26, 2002
              State Departments and Agencies

FROM: Lawrence C. Franklin, Jr., State Controller

SUBJECT: **"ROLLOVER" OF PURCHASE ORDERS**

The purpose of this memorandum is to inform agencies of the procedures for handling transitional documentation for fiscal year change.

OPEN MARKETS

We are currently working with the Division of Purchases and OLIS to post the FY 02 balances of all open market purchase orders as FY 03 and convert the fiscal year on the purchase order accounts from 02 to 03. However, this will not happen within the next few days. Therefore, any agency that needs to make payments against an open market PO prior to the rollover occurring can do so as a FY 02 transaction with an FY 03 effective date. Upon completion of the carry forward, OLIS will convert all invoices and payments and accounting transactions that are done on FY 02 accounts to FY 03. ONLY PURCHASE ORDERS IN SENT AND PARTIAL RECEIPT STATUS WILL BE CONVERTED TO FY 03. For all other POs the accounting will remain as FY 02 but the invoices and accounting transactions attributable to FY 03 relating to them will be converted to FY 03.

BLANKET RELEASES

Blanket releases will NOT be converted. If you have not done so already, blanket releases that have a balance in FY 02 accounts should be REDUCED using the change order process so that the quantity ordered matches what has been invoiced. This information is available using the Customer Invoice Inquiry Report. In addition, when you enter a reduced quantity on the purchase order screen, a pop-up message will advise you as to how much you have invoiced to date. The system will not let you reduce the purchase order to an amount less than that invoiced. This change order returns funds to the master blanket control for future obligations.

Any release payments and accounting transactions already made since July 1 against FY 02 accounts attributable to FY 03 will be converted to FY 03. Once the release reductions have been done, agencies can use the cloning feature in BuySpeed to prepare a new release in FY 03 for up to the remaining value in the control. (See Expired Blanket Report for this amount). By cloning a previous release, you will save considerable effort. Simply change the line item quantities to reflect the FY 03 requirements and then be sure to change the FY accounting field from 02 to 03 before you save. Once the new release has been processed, agencies can than begin to make payments.

KEEP IN MIND:

❖ If the master blanket has expired you will neither be able to create a change order or a new release even if money was available in FY 02.

❖ Delete the blank line item on the create new PO screen before cloning a prior year release.

❖ Don't forget to change both the header and line item accounting fiscal year.

❖ IF YOU NO LONGER REQUIRE THE FUNDS IN THE MASTER BLANKET you can $0 final pay all line items to close the release and reverse the remaining encumbrance. On the invoice user notes field type " CLOSE PO".

This will be a new experience for us all so we have reserved the FMIS lab at Barry Hall for August 29, and 30 and September 3 from 8:30 to 4:00 to assist RISAIL users with transactions. Because there are only a limited number of computers, please contact Natalie Laster at 222-5062 to make reservations and/or to obtain telephone assistance. Charlotte Melillo at 222-2142 (Ext. 110) is also available for telephone assistance on creating change orders and cloning purchase orders.

Please be advised that any federal and bond requisition and purchase order encumbrances, which are not converted to a FY 03 accounts, will be calculated in the total encumbrances for FY 03. It is in the interest of all agencies to cancel unnecessary documents and appropriately reduce FY 02 encumbrances and pre-encumbrances. We will notify agencies when the rollover of the open market PO occur. At that time we will suspend payment activity for a few days.

/hh
CFO:03-13